CHAPTER NO. 865

SENATE BILL NO. 3727

By Cohen

Substituted for: House Bill No. 3568

By Ulysses Jones

AN ACT to amend Tennessee Code Annotated, Section 57-4-102, relative to the sale of alcoholic beverages at certain community theaters.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

- SECTION 1. Tennessee Code Annotated, Section 57-4-102(12), is amended by adding the following language as a new subdivision:
 - (D) "Community theater" also includes a facility or theater possessing each of the following characteristics:
 - (i) The facility is located in a building which is at least eighty (80) years old;
 - (ii) The facility has a performance hall seating approximately two hundred fifty (250) persons;
 - (iii) The facility is operated by a not-for-profit corporation which is exempt from taxation under § 501(c) of the Internal Revenue Code of 1954 (26 U.S.C. § 501(c)) as amended, where no member or officer, agent or employee of any community theater is paid, or directly or indirectly receives, in the form of salary or other compensation, any profits from the sale of alcoholic beverages beyond the amount of such salary as may be fixed by its governing body for the reasonable performance of the person's assigned duties. All profits from the sale of alcoholic beverages by a not-for-profit corporation shall be used for the operation, renovation, refurbishing and maintenance of the facility, and in furtherance of the purposes of the organization;
 - (iv) Alcoholic beverages shall only be sold before or after performances or during intermissions in such performances and no alcoholic beverages shall be consumed inside the auditorium of such facility; and
 - (v) The facility is located within a municipality which has authorized the sale of alcoholic beverages for consumption on the premises in a referendum in the manner prescribed by § 57-3-106 in any county having a population of not less than thirty-three thousand five hundred twenty-five (33,525) nor more than thirty-

three thousand six hundred (33,600) according to the 2000 federal census or any subsequent federal census;

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.

Passed: May 17, 2006

JOHN S. WILDER SPEAKER OF THE SENATE

JIMMY NAIFEH, SPEAKER

APPROVED this 5th day of June 2006

PHIL BREDESEN GOVERNOR